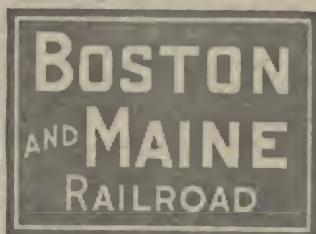


1927

**NINETY-FIFTH
ANNUAL REPORT**



**YEAR ENDED
DECEMBER 31, 1927**

STRAWBOARDS

652.0973

136572

1927

**NINETY-FIFTH
ANNUAL REPORT**



**YEAR ENDED
DECEMBER 31, 1927**

DIRECTORS

DECEMBER 31, 1927

LOUIS M. ATHERTON, Swampscott, Mass.	ALBA M. IDE, Troy, N. Y.
WALTER C. BAYLIES, Taunton, Mass.	LOUIS K. LIGGETT, Newton, Mass.
FRANK P. CARPENTER, Manchester, N. H.	HOMER LORING, Ashland, Mass.
T. JEFFERSON COOLIDGE, Manchester, Mass.	ROY L. PATRICK, Burlington, Vt.
WILLIAM DEXTER, Boston, Mass.	W. RODMAN PEABODY, Milton, Mass.
HARRY H. DUDLEY, Concord, N. H.	THOMAS NELSON PERKINS, Westwood, Mass.
REGINALD FOSTER, Manchester, Mass.	ROGER PIERCE, Milton, Mass.
GEORGE HANNAUER, Boston, Mass.	WILLIAM B. SKELTON, Lewiston, Me.
ALDUS C. HIGGINS, Worcester, Mass.	FRANK D. TRUE, Portland, Me.
ERNEST MARTIN HOPKINS, Hanover, N. H.	JAMES DUNCAN UPHAM, Claremont, N. H.
WILLIAM D. WOOLSON, Springfield, Vt.	

OFFICERS

Chairman	HOMER LORING
President	GEORGE HANNAUER
Clerk of Corporation	ARTHUR B. NICHOLS
Vice-President in charge of Finance	WILLIAM J. HOBBS
Vice-President in charge of Traffic	N. W. HAWKES
General Manager	J. W. SMITH
Comptroller	W. S. TROWBRIDGE
Treasurer	* H. R. WHEELER
General Solicitor	A. P. MACKINNON
Chief Engineer	W. J. BACKES
Purchasing Agent	A. W. MUNSTER
Mechanical Superintendent	L. RICHARDSON
Real Estate Agent	E. D. CHAPMAN

* Died February 25, 1928

Transfer Agent in Boston for all classes of stock, Old Colony Trust Company, 17 Court Street, Boston, Massachusetts.

Transfer Agent in New York for common stock, Guaranty Trust Company, 140 Broadway, New York City.

To The Stockholders of the Boston and Maine Railroad:

The Board of Directors herewith submits its report for the year ended December 31, 1927.

ROAD OPERATED

Steam Mileage operated December 31, 1927—2,083.54, an increase of 1.29 miles during the year. Of this increase 1.13 miles is the line from Kittery Junction to Portsmouth Navy Yard, formerly a part of the York Harbor and Beach Railroad.

INCOME ACCOUNT—CONDENSED

	1927	Increase or Decrease
Operating Revenues.....	\$77,848,374 23	\$3,777,001 61
Operating Expenses.....	61,835,501 58	519,954 09
Net Revenue from Operation.....	\$16,012,872 65	\$3,257,047 52
Railway Tax Accruals.....	3,572,868 60	493,818 11
Uncollectible Revenues.....	3,406 76	9,622 85
Railway Operating Income.....	\$12,436,597 29	\$3,741,242 78
Equipment and Jt. Fae. Rents—Net Dr.....	2,935,824 47	400,912 44
Net Railway Operating Income.....	\$9,500,772 82	\$3,340,330 34
Other Income.....	1,740,068 59	135,980 91
Total Income.....	\$11,240,841 41	\$3,476,311 25
Deductions:		
Rental Payments.....	\$1,148,143 00	\$2,379 00
Interest on Debt.....	6,607,759 09	279,320 52
Other Deductions.....	111,646 07	741 29
Net Income.....	\$3,373,293 25	\$3,200,111 02
Income Applied to Sinking Funds.....	\$152,668 23	\$15,657 28
Dividends.....	2,895,885 67	1,030,433 67
Total Appropriations of Net Income.....	\$3,048,553 90	\$1,046,090 95
Balance.....	\$324,739 35	\$2,154,020 07

Italics indicate decrease.

OPERATING REVENUES

Freight Revenue was \$50,055,425.67, a decrease of \$1,757,879.05, or 3.39%. Tons of freight carried during the year were 23,261,842, a decrease of 51,517. Of the decrease 169,627 tons were in products of agriculture; 435,457 tons in anthracite coal; and 265,607 tons in pulpwood, lumber, etc. Motor truck competition is still a serious problem. Co-ordination of trucking and train operation is being constantly studied in order to provide quicker and more convenient service for shippers and consignees.

Passenger Revenue was \$18,426,030.95, a decrease of \$1,632,244.83 or 8.14%. Number of Local and Commutation Passengers carried decreased 3,081,631 or 9.07%. Number of Inter-line Passengers carried decreased 109,298 or 6.19%. In common with most of the larger railroads of the country, the Boston and Maine continues to suffer a decline in its passenger revenues. The greatest losses are in local travel, largely due to use of the private automobile on constantly improved highways, notwithstanding that rail service has been improved through better lighting of cars and better arrangement and quickening of schedules. Motor coaches are being utilized for intermediate service in connection with through trains, and to give adequate transportation facilities on lines where light traffic does not justify frequent trains. This policy results in reduction in operating losses on unprofitable service and better accommodates the traveling public in many cases.

Mail Revenue increased \$15,691.10.

Express Revenue decreased \$257,450.27, or 8.59%, due to falling off in the volume of traffic, which was general to most carriers.

Other Transportation Revenue, including Milk, Switching, etc., increased \$47,796.38.

Incidental Revenue decreased \$226,943.94, or 11.19%, due to transfer of coal discharging plants and grain elevators to the Mystic Terminal Company. This loss of revenue is offset by a reduction in expenses and by rental paid by the Terminal Company. There was also a decrease in Demurrage revenue, revenue from the storage of freight, and from Station and Train Privileges.

OPERATING EXPENSES

Expenses for Maintenance of Way and Structures increased \$2,290,242.55. This increase is due almost entirely to charges for repairing property damaged by the floods of November, 1927, aggregating \$1,576,861.22, and to the necessity of charging to these accounts \$715,000 representing ledger value of that portion of the North Station which is to be replaced.

Expenses for Maintenance of Equipment decreased \$299,690.91. Notwithstanding this decrease the condition of the Company's equipment at the end of 1927 was better than for a number of years past, and further the 1927 accounts included charges on account of equipment retired aggregating \$629,478.32 more than in 1926. There were retired during the year 94 locomotives, 1421 freight cars, 134 passenger cars, and 194 work cars. With the number of units of equipment decreasing, there will ultimately be a substantial reduction in maintenance expenses.

Traffic Expenses increased \$49,752.83. On September 1, 1927, a new traffic agency was opened in Montreal. The railroad now has fourteen off-line agencies, and their establishment has been fully justified.

Transportation Expenses decreased \$2,242,553.96. Fuel for Yard and Train Locomotives decreased \$779,756.47. Wages paid employees on trains, in yards, and at stations decreased \$1,023,005.05, in spite of the fact that substantial increases in rates of pay were in effect during the year. Enginehouse Expenses decreased \$310,116.08.

Expenses of Miscellaneous Operations decreased \$98,802.37.

General Expenses decreased \$219,194.35, due principally to reduction in number of clerks and attendants.

The increase in wage rates made at various times since November, 1926, added \$1,500,000 to the 1927 pay roll. With present forces, and including the increase in wage rates given track foremen January 20, 1928, and enginemen February 1, 1928, the addition will amount to \$1,870,000 per annum.

OPERATING RATIOS

	1924	1925	1926	1927
Maintenance of Way and Structures.....	12.72%	12.55%	13.47%	17.07%
Maintenance of Equipment.....	20.52%	19.47%	18.61%	19.12%
Traffic.....	.87%	.98%	1.09%	1.21%
Transportation.....	42.84%	40.25%	39.38%	38.41%
Miscellaneous Operations.....	.35%	.35%	.36%	.24%
General.....	3.44%	3.56%	3.48%	3.38%
Railway Operating Expenses.....	80.74%	77.16%	76.39%	79.43%

OPERATING EFFICIENCY—FREIGHT

	1924	1925	1926	1927
Average net tons per train.....	486	507	544	526
Average car speed per day.....	19.0	21.1	21.4	22.7
Gross Tons per train.....	1,185	1,247	1,334	1,331
Gross Ton Miles per train hour.....	12,575	13,596	14,159	14,750
Pounds coal per 1000 Gross Ton Miles.....	153	148	140	127
Net Ton Miles per car day.....	276	304	311	321

RAILWAY TAX ACCRUALS

Taxes increased \$493,818. As the result of consistent effort to obtain new appraisals of the Company's property where local assessments were excessive, considerable reduction in such valuations has been obtained. Increasing rates have, however, resulted in an increase in total tax accruals. This increase would have been much larger but for the reduction in valuations. In Maine, a new law was enacted by the Legislature which will furnish a fairer basis for railroad taxation. A referendum on the law will be held in September, 1928.

EQUIPMENT AND JOINT FACILITY RENTS

Equipment Rents decreased \$450,042.91, as the result of more prompt handling of cars, the average number of cars on line daily for the year 1927 having been 25,733, a decrease of 2160 as compared with 1926. Joint Facility Rents increased \$49,130.47.

OTHER INCOME

Rental for road leased Canadian Pacific Railway increased \$123,136.85, account of full year's rental in 1927 against seven months in 1926. Rental from Miscellaneous Non-Operating Physical Property increased \$288,602.87, due to rental received from Mystic Terminal Company for use of our coal wharves, grain elevators, and docks. Dividends from Subsidiary Roads decreased \$367,764.28; and Income from Unfunded Securities decreased \$164,320.71.

DEDUCTIONS FROM GROSS INCOME

Interest on Funded Debt decreased \$117,043.26 account of refunding certain issues of bonds at a lower rate of interest and a reduction in the principal of equipment trust notes. Other Deductions from Income decreased \$159,156.97.

NET INCOME

Net Income was \$3,373,293.25, a decrease of \$3,200,111.02, due principally to loss of revenue and heavy expenditures charged to Operating Expenses account of unprecedented floods of November, 1927. 946 miles of the Company's road was affected in the territory from Groveton and Berlin on the north, to Springfield, Mass., on the south, and to Schaghticoke, New York, on the west. 64 miles of road, at 84 different locations, was entirely under water. It was necessary to completely rebuild 17 bridge structures; to make extensive repairs to 48 bridge abutments and piers; 13 bridges were moved off their abutments; and 28 culverts were washed out. Signals, buildings, and retaining walls suffered heavily. 888 miles of road were restored to service in twenty days, and the balance about the end of December. The added out-of-pocket expense was approximately \$2,314,000 of which amount approximately \$1,800,000 has been charged in 1927 Operating Accounts (the balance being chargeable to capital). The indirect and consequential traffic and operating losses are estimated at \$1,000,000.

Charges to Operating Expenses during the year in connection with Improvement Work amounted to \$3,341,228, an increase over 1926 of \$1,131,827.

ADDITIONS AND BETTERMENTS

New modern classification yards were placed in operation at Boston, Mechanicville, N. Y., and White River Junction, Vt. Those at Boston and Mechanicville are hump yards equipped with power-operated switches and car retarders, and the yards at all three points have flood lighting systems. These improvements materially speed up transportation, better the service given the public, and are productive of large economies in operation.

ADDITIONS AND BETTERMENTS—(Continued)

At Boston, new, larger, and much improved facilities for handling and auctioning fruit and vegetables were provided. A new freight house and warehouse, with bulk delivery yard, automobile platform, storage for automobiles, and a heavy electric traveling crane, were put in service at East Cambridge, Mass., and both inward and outward business of the Southern and Fitchburg Divisions were concentrated there, the old Fitchburg Division freight houses in Boston being abandoned.

In connection with the rearrangement of the Boston Terminals, passenger trains were withdrawn from the main line of the Southern Division through East Cambridge and a new line constructed. The old line is used entirely for freight service.

Improvement was made in yard facilities at Haverhill, Bradford, Worcester, Lawrence, and Ayer, Mass., Berlin and Whitefield, N. H.

New passing sidings were installed, or existing sidings extended at many points, reducing delays to train service and producing savings in operation.

Many bridges were partially, or wholly rebuilt because of the November floods, as explained elsewhere. Bridges are also being systematically strengthened in accordance with a definite program, to provide for the operation of the heavier types of locomotives demanded by the best present-day operating practices.

A reduction in grades of the line between Mechanicville and Johnsonville, N. Y., is under way, which, when completed, will increase the train load between Mechanicville and East Deerfield.

Flood lighting was installed in yards at Worcester, Lawrence, Ayer, and Salem, Mass.

49 single and 4 double-light automatic flashing signals were placed at crossings.

Increased shop facilities, and tools and machines of the latest and most efficient types, have been provided at Billerica and Springfield, Mass., and at Concord, N. H. Expenditures for betterment of engine terminals at many points are productive of substantial economies which will continue to make themselves felt in operating results.

The large pile and trestle area in the yard and approaches to the North Station in Boston has made necessary the annual expenditure of thousands of dollars for maintenance. A program for filling this area, and so eliminating a continuing operating charge, has been commenced, and substantial progress made. If the program can be carried forward as planned, the work should be completed within the next ten years.

Much of the main line of the Southern Division in Somerville, Mass., runs through a cut, and in the spring the tracks are not infrequently under water. Work on an adequate drainage system is now in progress which, when completed, will eliminate this interference with operation.

New interlocking signal plants have been completed, or are being put in at West Cambridge, Mystic Junction, Wilmington Junction, Ayer, Salem, Lowell Junction, Mass., and Dover, N. H. These installations will remove the necessity for stopping trains to handle switches, will enable a saving through decrease in labor costs, and will aid service.

Limited clearances have been a handicap in securing and retaining traffic because the larger types of freight cars had to be detoured over other lines or loads transferred to other cars. This condition has been corrected by enlarging the Hoosac Tunnel, referred to in the 1926 report, and by increasing during the past year other clearances which constituted limiting points. The road can now handle any type of car offered.

10 heavy 8-wheel switching locomotives were added to the motive power equipment. They are constructed for a boiler pressure of 250 lbs., and have the latest type of feedwater heater—both of which are unusual features in switching equipment.

In pursuance of the program which was referred to in the last annual report, 76.3 miles of track were ballasted with stone.

REAL ESTATE

It has been the policy for some years to dispose of real estate, not needed for railroad purposes, that is unproductive, or that can be utilized for industrial development, and so bring added revenue to the railroad. During 1927, arrangements were concluded for the conveyance of real estate to the value of about \$975,000.

INSURANCE RESERVE

Reference was made in the report for 1926 to the establishment of an insurance reserve. On December 31, 1927, this fund amounted to \$446,838.99.

NEW NORTH STATION

On December 3, 1927, the razing of the North Station in Boston, which has been in use for 34 years, was begun. It is the purpose to construct a new station on the same location, with a coliseum above which should result in additional passenger traffic. The station building will be ready for occupancy about July 1, 1928. It is not proposed to construct an expensive and elaborate building, but one which will be adequate, comfortable, and convenient as measured by present-day standards.

CHANGES IN FUNDED DEBT

The Funded Debt on December 31, 1927, amounted to \$129,934,579, a decrease of \$1,242,700 since December 31, 1926.

Paid Off:

Equipment Trust of 1920, 6% Gold Notes due January 15, 1927.....	\$454,200
Equipment Trust of 1922, 5½% Gold Certificates due August 1, 1927.....	121,000
Equipment Trust No. 3, 6% Gold Certificates due June 1, 1927.....	141,000
Fitchburg Railroad Company 4% Bonds due March 1, 1927.....	391,000
Fitchburg Railroad Company 4% Bonds due April 1, 1927.....	133,000
Boston and Lowell Railroad Corporation 4% Bonds due July 1, 1927.....	2,000

Reduction due to retirement of Series C, D, G, L, and N Bonds and new issue of Series AC Bonds.....	500
	<u>\$1,242,700</u>

In the spring of 1927 the Federal Government received an offer from New York banking interests to purchase from it \$26,980,000 of this Company's 6% mortgage bonds maturing January 1, 1929, held in the Federal Treasury. If this sale had been made, the bonds would have been widely distributed, and it would have been impracticable to carry out any plan for refunding them before maturity. Messrs. Kidder, Peabody & Company, Lee, Higginson & Company, and Harris, Forbes Company, Inc., of Boston, formed a syndicate of bankers which took over these bonds and agreed to sell them to the Railroad at any time before maturity at par and accrued interest. In the early fall, acting under authority of the stockholders and the Interstate Commerce Commission, an issue of \$30,942,000 of 40-year 5% first mortgage bonds, due September 1, 1967, was sold on a 5.6 basis. The proceeds were applied towards the retirement of the \$26,980,000 6% bonds referred to above and of an additional \$2,318,500 of like bonds also held by the Federal Government and to reimburse the Company's Treasury for \$1,644,000 of its 5% bonds acquired from the public in connection with the Reorganization Plan dated September 1, 1925. The reduction in annual interest charges amounts to \$292,985.

BOSTON & MAINE TRANSPORTATION COMPANY

During the year the gross earnings from buses and trucks was \$861,783.12. Operations during the year produced a net income of \$13,854.47.

PENSIONS

Pension payments for the year amounted to \$285,432.06, an increase of \$5,776.50 over 1926. On December 31, 1927, there were 580 pensioners on the roll, the average age being 74 years and the average monthly pension \$41.86.

On January 25, 1928, the common stock which has been stamped as assenting to the Reorganization dated September 1, 1925, was listed on the New York Stock Exchange. The Guaranty Trust Company has been appointed Transfer Agent and the Bankers Trust Company Registrar in New York City, for this stock.

It is with great regret that we record the death on February 25, 1928, of Herbert R. Wheeler, Treasurer of the Company, who had been in its service more than 45 years.

Your Directors take pleasure in recording their appreciation of the loyal and able services of officers and employees.

By order of the Board of Directors,

GEORGE HANNAUER,

President.

March 13, 1928

CONDENSED GENERAL BALANCE SHEET—Assets

	Dec. 31, 1927	Dec. 31, 1926
ROAD AND EQUIPMENT		
Investment in Road.....	\$163,651,200 74	\$159,750,083 25
Investment in Equipment *.....	52,896,400 57	53,865,817 90
<i>Total</i>	\$216,547,601 31	\$213,615,901 15
Improvements on Leased Railway Property †.....	8,851,449 73	8,279,923 31
Sinking Funds.....	3,184,510 48	3,022,805 27
Deposits in Lieu of Mortgaged Property Sold.....	237,985 92	93,990 18
Miscellaneous Physical Property.....	945,171 27	988,773 27
Investments in Affiliated Companies.....	3,753,544 92	4,006,596 03
Other Investments.....	9,048,099 44	12,362,201 37
<i>Total Investments</i>	\$242,568,363 07	\$242,370,190 58
CURRENT ASSETS		
Cash.....	\$3,446,361 49	\$6,440,092 19
Cash in Transit—Agents' Remittances.....	561,242 36	645,619 94
Time Drafts and Deposits.....	65,000 00	100,000 00
Special Deposits.....	399,916 17	575,857 15
Loans and Bills Receivable.....	5,000 00	434,516 26
Traffic and Car Service Balances Receivable.....	545,234 25	518,710 05
Net Balance Receivable from Agents and Conductors.....	905,474 00	873,493 37
Miscellaneous Accounts Receivable.....	2,749,124 45	2,719,481 33
Material and Supplies.....	6,849,778 45	6,972,467 95
Interest and Dividends Receivable.....	146,294 18	143,571 20
<i>Total Current Assets</i>	\$15,673,425 35	\$19,423,809 44
DEFERRED ASSETS		
Working Fund Advances.....	\$171,513 04	\$233,503 74
Insurance and Other Funds.....	35,000 00	32,723 75
Other Deferred Assets.....	800,704 44	788,278 58
<i>Total Deferred Assets</i>	\$1,007,217 48	\$1,054,506 07
UNADJUSTED DEBITS		
Insurance Premiums Paid in Advance.....	\$47,834 14	\$40,799 69
Discount on Funded Debt.....	3,385,694 49	487,203 36
Other Unadjusted Debits.....	609,036 13	859,365 18
Securities Issued or Assumed—Unpledged.....	1,112,300 00	2,648,425 50
<i>Total Unadjusted Debits</i>	\$5,154,864 76	\$4,035,793 73
<i>Grand Total</i>	\$264,403,870 66	\$266,884,299 82

* Includes \$12,700,646.75 representing equipment acquired under Equipment Trust Agreements but does not include equipment acquired from leased roads at inception of leases appraised at \$1,792,325.58.

† Does not include improvements on property of affiliated companies nor on leased roads when leases provide for current settlement.

CONDENSED GENERAL BALANCE SHEET—Liabilities

	Dec. 31, 1927	Dec. 31, 1926
CAPITAL STOCK		
Common Stock—395,051 Shares.....	\$39,505,100 00	\$39,505,100 00
Common Stock—Scrip.....	255 91	255 91
<i>Total Common Stock</i>	\$39,505,355 91	\$39,505,355 91
Preferred Stock—31,498 Shares.....	3,149,800 00	3,149,800 00
First Preferred Stock—388,179 Shares.....	38,817,900 00	38,817,900 00
Prior Preference Stock.....	8,720,948 35	7,647,238 45
<i>Total Capital Stock</i>	\$90,194,004 26	\$89,120,294 36
Premiums on Capital Stock.....	4,218,973 14	4,218,973 14
<i>Total Capital Stock and Premiums</i>	\$94,412,977 40	\$93,339,267 50
LONG TERM DEBT		
Funded Debt Unmatured.....	\$129,934,579 00	\$131,177,279 00
CURRENT LIABILITIES		
Traffic and Car Service Balances Payable.....	\$2,804,196 65	\$3,683,663 95
Audited Accounts and Wages Payable.....	3,382,812 14	3,485,393 31
Miscellaneous Accounts Payable.....	313,338 64	321,040 27
Interest Matured Unpaid.....	688,028 25	1,569,411 17
Dividends Matured Unpaid.....	752,296 28	2,684,277 86
Funded Debt Matured Unpaid.....	127,300 00	160,300 00
Unmatured Interest Accrued.....	1,461,153 34	933,968 99
Unmatured Rents Accrued.....	186,390 64	186,341 83
<i>Total Current Liabilities</i>	\$9,715,515 94	\$13,024,397 38
DEFERRED LIABILITIES		
Due to Leased Roads at Expiration of Leases.....	\$209,988 70	\$209,988 70
Other Deferred Liabilities.....	58,538 00	5,244 00
<i>Total Deferred Liabilities</i>	\$268,526 70	\$215,232 70
UNADJUSTED CREDITS		
Tax Liability.....	Dr. \$341,307 55	Dr. \$409,418 34
Premium on Funded Debt.....	34,750 13	57,645 11
Insurance and Casualty Reserves.....	446,838 99	248,801 89
Accrued Depreciation—Road.....	48,788 99	5,411 37
Accrued Depreciation—Equipment.....	16,819,553 73	16,052,307 82
Accrued Depreciation—Miscellaneous Physical Property.....	129,989 35	63,072 83
Other Unadjusted Credits.....	704,753 33	426,538 16
<i>Total Unadjusted Credits</i>	\$17,843,366 97	\$16,444,358 84
CORPORATE SURPLUS		
Additions to Property through Income since June 30, 1907.....	\$4,367,902 63	\$4,365,902 63
Funded Debt Retired through Income and Surplus.....	1,929,000 00	1,929,000 00
Sinking Fund Reserves.....	3,304,540 46	3,139,476 08
<i>Total Appropriated Surplus</i>	\$9,601,443 09	\$9,434,378 71
Profit and Loss—Balance.....	2,627,461 56	3,249,385 69
<i>Total Corporate Surplus</i>	\$12,228,904 65	\$12,683,764 40
<i>Grand Total</i>	\$264,403,870 66	\$266,884,299 82

BONDS GUARANTEED

The St. Johnsbury and Lake Champlain R. R. Co. First Mortgage 5% Bonds, due March 1, 1944.....	\$1,328,000 00
Concord & Claremont, N. H., R. R. First Mortgage 5% Bonds, due January 1, 1944.....	500,000 00
The Peterborough and Hillsborough R. R. First Mortgage 4½% Bonds due July 1, 1931, owned by Boston and Maine Railroad.....	100,000 00
Portland Union Ry. Station Co. Sinking Fund 4% Bonds, due July 1, 1929, guaranteed jointly with Maine Central R. R. Co.....	100,000 00
	<u>\$2,028,000 00</u>

INCOME ACCOUNT

	Year Ended December 31, 1927	Increase or Decrease
TRANSPORTATION REVENUE,		
Freight.....	\$50,055,425 67	\$1,757,879 05
Passenger.....	18,426,030 95	1,632,244 83
Excess Baggage.....	43,298 58	4,773 70
Mail.....	1,261,711 01	15,691 10
Express.....	2,737,901 70	257,450 27
Other Passenger Train.....	262,404 47	6,289 26
Milk.....	2,156,960 55	28,176 22
Switching.....	804,231 72	39,044 53
Special Service Train.....	104,752 69	2,607 57
Other Freight Train.....	114,630 87	67,120 08
<i>Total Transportation Revenue.....</i>	<i>\$75,967,348 21</i>	<i>\$3,584,086 67</i>
INCIDENTAL REVENUE,		
Dining and Buffet.....	\$149,827 92	\$883 59
Station and Train Privileges.....	276,834 85	34,107 79
Parcel Room.....	44,232 57	3,589 22
Storage—Freight.....	60,902 12	34,330 72
Storage—Baggage.....	13,883 52	2,715 79
Demurrage.....	473,091 14	24,261 16
Telegraph and Telephone.....	41,474 25	1,793 65
Grain Elevators.....	—	43,685 75
Power.....	30,016 42	740 15
Rents of Buildings and Other Property.....	375,956 25	13,715 24
Coal Discharging Plants.....	—	100,702 35
Miscellaneous.....	335,251 77	31,814 29
<i>Total Incidental Revenue.....</i>	<i>\$1,801,470 81</i>	<i>\$226,943 94</i>
Joint Facility—Cr.....	\$82,770 20	\$34,982 49
Joint Facility—Dr.....	3,214 99	953 49
<i>Total Joint Facility—Operating Revenue.....</i>	<i>\$79,555 21</i>	<i>\$34,029 00</i>
<i>Total Operating Revenues.....</i>	<i>\$77,848,374 23</i>	<i>\$3,777,001 61</i>
OPERATING EXPENSES,		
Maintenance of Way and Structures.....	\$13,288,333 00	\$2,290,242 55
Maintenance of Equipment.....	14,889,500 50	299,690 91
Traffic.....	943,752 16	49,752 83
Transportation.....	29,906,292 47	2,242,553 96
Miscellaneous Operations.....	191,391 32	98,802 37
General.....	2,618,824 69	219,194 35
Transportation for Investment—Cr.....	2,592 56	292 12
<i>Total Operating Expenses.....</i>	<i>\$61,835,501 58</i>	<i>\$519,954 09</i>
<i>Operating Ratio.....</i>	<i>(79.43%)</i>	<i>(3.04%)</i>
<i>Net Operating Revenue.....</i>	<i>\$16,012,872 65</i>	<i>\$3,257,047 52</i>
TAX ACCRUALS.....	\$3,572,868 60	\$493,818 11
UNCOLLECTIBLE RAILWAY REVENUES.....	3,406 76	9,622 85
<i>Total.....</i>	<i>\$3,576,275 36</i>	<i>\$484,195 26</i>
<i>Operating Income (carried forward).....</i>	<i>\$12,436,597 29</i>	<i>\$3,741,242 78</i>

Italics indicate decrease.

INCOME ACCOUNT—*Concluded*

	Year Ended December 31, 1927	Increase or Decrease
<i>Operating Income (brought forward)</i>	\$12,436,597 29	\$3,741,242 78
Rent from Locomotives.....	95,573 56	8,611 25
Rent from Passenger Train Cars.....	365,443 86	1,915 75
Rent from Work Equipment.....	77,127 39	32,102 28
Joint Facility Rent Income.....	135,167 73	23,839 75
<i>Total</i>	\$13,109,909 83	\$3,678,605 25
Hire of Freight Cars—Debit Balance.....	\$2,749,583 44	\$433,735 01
Rent for Locomotives.....	10,203 40	2,900 87
Rent for Passenger Train Cars.....	443,080 18	24,366 25
Rent for Work Equipment.....	1,266 60	1,024 50
Joint Facility Rents.....	405,003 39	72,970 22
<i>Total</i>	\$3,609,137 01	\$338,274 91
<i>Net Railway Operating Income</i>	\$9,500,772 82	\$3,340,330 34
OTHER INCOME,		
Income from Lease of Road.....	\$311,204 19	\$123,136 85
Miscellaneous Rent Income.....	233,311 03	56,804 22
Miscellaneous Nonoperating Physical Property.....	322,925 99	288,602 87
Dividend Income.....	132,920 00	367,764 28
Income from Funded Securities.....	460,742 47	45,216 13
Income from Unfunded Securities and Accounts.....	242,122 48	164,320 71
Income from Sinking and Other Reserve Funds.....	11,484 90	363 96
Release of Premiums on Funded Debt.....	22,894 98	3,040 97
Miscellaneous Income.....	2,462 55	642 62
<i>Total Other Income</i>	\$1,740,068 59	\$135,980 91
<i>Total Income</i>	\$11,240,841 41	\$3,476,311 25
OTHER DEDUCTIONS FROM INCOME,		
Rent for Leased Roads.....	\$1,139,132 10	\$0 04
Miscellaneous Rents.....	9,010 90	2,379 04
Separately Operated Properties—Loss.....	—	20,000 00
Interest on Funded Debt *.....	6,452,451 96	117,043 26
Interest on Unfunded Debt.....	155,307 13	162,277 26
Amortization of Discount on Funded Debt.....	111,282 57	25,377 79
Miscellaneous Income Charges.....	363 50	4,636 50
<i>Total Other Deductions</i>	\$7,867,548 16	\$276,200 23
<i>Net Income</i>	\$3,373,293 25	\$3,200,111 02
DISPOSITION OF NET INCOME,		
Income Applied to Sinking Funds.....	\$152,668 23	\$15,657 28
Dividend Appropriations of Income.....	2,895,885 67	1,030,433 67
<i>Total Appropriations of Net Income</i>	\$3,048,553 90	\$1,046,090 95
<i>Balance Transferred to Profit and Loss</i>	\$324,739 35	\$2,154,020 07

* Interest amounting to \$140,820.83 for 1927 and \$125,839.99 for 1926 accrued on bonds held in Sinking Funds is included in account "Income Applied to Sinking Funds."
Italics indicate decrease.

OPERATING EXPENSES

	Year Ended December 31, 1927	Increase or Decrease
MAINTENANCE OF WAY AND STRUCTURES		
Superintendence.....	\$651,712 25	\$59,406 82
Roadway Maintenance.....	1,376,550 20	797,001 44
Tunnels and Subways.....	12,369 63	402 65
Bridges, Trestles and Culverts.....	889,020 06	430,480 76
Ties.....	1,881,215 12	180,282 08
Rails.....	451,442 02	118,228 93
Other Track Material.....	788,983 89	237,553 15
Ballast.....	40,633 60	3,776 22
Track Laying and Surfacing.....	3,063,790 01	346,277 46
Right-of-Way Fences.....	58,008 66	4,548 65
Snow and Sand Fences and Snowsheds.....	1,522 55	568 21
Crossings and Signs.....	391,006 32	11,210 67
Station and Office Buildings.....	1,320,661 34	770,431 61
Roadway Buildings.....	52,355 58	6,258 60
Water Stations.....	105,263 37	23,518 52
Fuel Stations.....	70,223 19	20,996 23
Shops and Enginehouses.....	305,900 39	66,475 82
Grain Elevators.....	1,042 30	34,042 48
Storage Warehouses.....	120 86	273 63
Wharves and Docks.....	6,842 42	18,903 51
Coal and Ore Wharves.....	18,585 41	36,019 36
Gas Producing Plants.....	12,892 03	3,669 61
Telegraph and Telephone Lines.....	67,291 76	2,253 20
Signals and Interlockers.....	584,741 22	28,470 53
Power Plant Buildings.....	5,473 68	1,339 63
Power Substation Buildings.....	637 92	410 22
Power Transmission Systems.....	6,777 18	2,007 64
Power Distribution Systems.....	39,128 97	4,008 91
Power Line Poles and Fixtures.....	7,197 75	1,804 77
Miscellaneous Structures.....	6,562 54	9,207 64
Paving.....	3,793 16	3,793 16
Roadway Machines.....	74,091 76	10,199 91
Small Tools and Supplies.....	180,055 36	46,528 58
Removing Snow, Ice and Sand.....	450,149 88	445,668 52
Assessments for Public Improvements.....	43 18	149 60
Injuries to Persons.....	76,999 06	10,000 88
Insurance.....	157,054 69	7,125 62
Stationery and Printing.....	12,815 55	4,627 38
Other Expenses.....	28 17	119 54
Maintaining Joint Tracks, Yards and Other Facilities—Dr..	259,899 37	43,530 56
Maintaining Joint Tracks, Yards and Other Facilities—Cr..	142,464 80	64,745 85
<i>Total Maintenance of Way and Structures.....</i>	\$13,288,333 00	\$2,290,242 55
MAINTENANCE OF EQUIPMENT		
Superintendence.....	\$544,738 32	\$72,841 53
Shop Machinery.....	558,898 64	3,822 70
Power Plant Machinery.....	74,708 54	2,523 59
Power Substation Apparatus.....	507 68	1,036 97
Steam Locomotives—Repairs.....	6,304,245 45	397,594 41
Steam Locomotives—Depreciation.....	513,139 16	6,137 16
Steam Locomotives—Retirements.....	138,617 20	86,534 83
Other Locomotives—Repairs.....	51,183 87	22,234 16
Other Locomotives—Depreciation.....	11,492 07	23 55
<i>Maintenance of Equipment (carried forward).....</i>	\$8,197,530 93	\$261,674 76

Italics indicate decrease.

OPERATING EXPENSES—Continued

MAINTENANCE OF EQUIPMENT— <i>Concluded</i>	Year Ended December 31, 1927	Increase or Decrease
<i>Brought forward</i>	\$8,197,530 93	\$261,674 76
Freight-Train Cars—Repairs.....	2,798,839 53	429,979 90
Freight-Train Cars—Depreciation.....	665,245 98	8,766 07
Freight-Train Cars—Retirements.....	636,316 18	515,948 94
Passenger-Train Cars—Repairs.....	1,511,466 80	168,488 26
Passenger-Train Cars—Depreciation.....	255,239 01	8,267 02
Passenger-Train Cars—Retirements.....	33,093 46	11,377 27
Motor Equipment of Cars—Repairs.....	69,845 60	27,013 90
Motor Equipment of Cars—Depreciation.....	38,303 20	17,826 74
Motor Equipment of Cars—Retirements.....	34 84	269 69
Work Equipment—Repairs.....	325,456 60	4,906 35
Work Equipment—Depreciation.....	23,250 54	1,932 62
Work Equipment—Retirements.....	59,669 19	15,043 16
Miscellaneous Equipment—Repairs.....	4,411 57	816 91
Miscellaneous Equipment—Depreciation.....	1,663 59	802 41
Miscellaneous Equipment—Retirements.....	843 81	843 81
Injuries to Persons.....	92,872 91	23,894 30
Insurance.....	96,712 01	11,657 03
Stationery and Printing.....	18,049 56	2,518 04
Other Expenses.....	11,100 80	3,054 41
Maintaining Joint Equipment at Terminals— <i>Dr.</i>	50,182 71	27,760 73
Maintaining Joint Equipment at Terminals— <i>Cr.</i>	628 32	2,372 83
<i>Total Maintenance of Equipment</i>	\$14,889,500 50	\$299,690 91
TRAFFIC		
Superintendence.....	\$422,447 82	\$12,481 39
Outside Agencies.....	252,858 56	13,389 16
Advertising.....	154,005 26	4,435 86
Traffic Associations.....	14,452 08	556 71
Industrial and Immigration Bureaus.....	6,665 02	3,298 40
Insurance.....	291 46	69 92
Stationery and Printing.....	91,196 29	13,899 91
Other Expenses.....	1,835 67	1,761 32
<i>Total Traffic</i>	\$943,752 16	\$49,752 83
TRANSPORTATION		
Superintendence.....	\$774,164 28	\$39,105 10
Dispatching Trains.....	220,494 41	3,826 57
Station Employees.....	5,113,543 47	320,920 45
Weighing, Inspection and Demurrage Bureaus.....	3,463 86	7 01
Station Supplies and Expenses.....	332,290 61	13,010 41
Yardmasters and Yard Clerks.....	841,205 47	69,920 02
Yard Conductors and Brakemen.....	1,893,545 22	243,695 79
Yard Switch and Signal Tenders.....	379,932 62	20,576 87
Yard Enginemen.....	1,086,291 22	181,103 59
Fuel for Yard Locomotives.....	832,099 32	165,795 31
Water for Yard Locomotives.....	24,186 18	1,235 71
Lubricants for Yard Locomotives.....	17,904 35	1,493 17
Other Supplies for Yard Locomotives.....	18,986 29	1,008 37
Enginehouse Expenses—Yard.....	319,887 70	81,416 44
Yard Supplies and Expenses.....	46,921 83	3,136 34
Operating Joint Yards and Terminals— <i>Dr.</i>	1,016,443 50	11,679 25
Operating Joint Yards and Terminals— <i>Cr.</i>	173,665 22	112,353 46
Train Enginemen.....	3,006,073 81	188,605 43
Train Motormen.....	149,433 57	26,228 45
Fuel for Train Locomotives.....	4,491,121 49	613,961 16
Train Power Produced.....	6,214 76	609 69
Train Power Purchased.....	131,473 79	370 31
<i>Transportation (carried forward)</i>	\$20,532,012 53	\$1,771,763 84

Italics indicate decrease.

OPERATING EXPENSES—Concluded

	Year Ended December 31, 1927	Increase or Decrease
TRANSPORTATION—Concluded		
<i>Brought forward</i>	\$20,532,012 53	\$1,771,763 84
Water for Train Locomotives.....	165,373 36	12,611 48
Lubricants for Train Locomotives.....	76,006 16	12,504 20
Other Supplies for Train Locomotives.....	83,801 86	14,605 09
Enginehouse Expenses—Train.....	1,119,031 45	228,699 64
Trainmen.....	4,095,981 42	65,565 09
Train Supplies and Expenses.....	991,497 85	35,195 54
Signal and Interlocker Operation.....	756,380 62	91,194 91
Crossing Protection.....	905,882 69	30,769 10
Drawbridge Operation.....	53,835 59	1,288 41
Telegraph and Telephone Operation.....	23,048 44	93 02
Stationery and Printing.....	181,958 16	10,928 05
Other Expenses.....	28,006 84	8,926 17
Operating Joint Tracks and Facilities—Dr.....	27,160 84	6,055 67
Operating Joint Tracks and Facilities—Cr.....	81,208 38	31,405 21
Insurance.....	56,567 91	6,633 28
Clearing Wrecks.....	78,017 01	4,109 54
Damage to Property.....	81,469 02	13,528 72
Damage to Live Stock on Right-of-Way.....	2,056 74	83 84
Loss and Damage—Freight.....	336,737 98	2,903 47
Loss and Damage—Baggage.....	4,151 26	271 59
Injuries to Persons.....	388,523 12	60,450 96
<i>Total Transportation</i>	\$29,906,292 47	\$2,242,553 96
MISCELLANEOUS OPERATIONS		
Dining and Buffet Service.....	\$164,126 88	\$3,503 71
Hotels and Restaurants.....	2,624 11	1,283 63
Grain Elevators.....	1,028 73	44,045 96
Producing Power Sold.....	16,322 67	417 44
Other Miscellaneous Operations.....	9,346 39	52,953 77
<i>Total Miscellaneous Operations</i>	\$191,391 32	\$98,802 37
GENERAL		
Salaries and Expenses of General Officers.....	\$222,720 12	\$54,740 18
Salaries and Expenses of Clerks and Attendants.....	1,550,697 01	164,430 96
General Office Supplies and Expenses.....	54,481 66	33,438 18
Law Expenses.....	243,867 93	17,478 91
Insurance.....	2,385 60	61 42
Pensions.....	285,432 06	5,776 50
Stationery and Printing.....	82,805 61	11,707 90
Valuation Expenses.....	40,980 04	17,063 87
Other Expenses.....	116,046 85	34,133 32
General Joint Facilities—Dr.....	21,252 57	874 85
General Joint Facilities—Cr.....	1,844 76	521 62
<i>Total General</i>	\$2,618,824 69	\$219,194 35
Transportation for Investment—Cr.....	\$2,592 56	\$292 12
<i>Total Operating Expenses</i>	\$61,835,501 58	\$519,954 09
<i>Ratio to Total Operating Revenues</i>	(79.43%)	(3.04%)

Italics indicate decrease.

Dr.	PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927	Cr.
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Loss on Retired Road and Equipment.....	\$509,692 28	Balance, December 31, 1926.....	\$3,249,385 69
Par Value Adjustment of Investments.....	71,493 68	Credit Balance from Income Account for Year 1927..	324,739 35
Adjustment of Miscellaneous Accounts.....	63,147 67	Unrefundable Overcharges.....	19,168 12
Unextinguished Discount on Series D Bonds Retired....	38,842 40	Profit on Road and Equipment Sold.....	243,410 30
Adjustment Account Retirement of North Station.....	361,065 87		
To Charge off Ledger Value of York Harbor and Beach R.R. Co. Capital Stock	165,000 00		
Balance, December 31, 1927.....	2,627,461 56		
	<u>\$3,836,703 46</u>	Balance to next year's account.....	<u>\$3,836,703 46</u>
			<u>\$2,627,461 56</u>

ADDITIONS AND BETTERMENTS

Year Ending December 31, 1927

ROAD

1	Engineering.....	\$186,683	82
2	Land for Transportation Purposes.....	280,129	19
3	Grading.....	833,053	28
5	Tunnels and Subways.....	3,748	82
6	Bridges, Trestles and Culverts.....	523,772	25
8	Ties.....	225,995	31
9	Rails.....	260,066	52
10	Other Track Material.....	459,245	45
11	Ballast.....	447,754	22
12	Track Laying and Surfacing.....	414,221	73
13	Right-of-Way Fences.....	340	38
15	Crossing and Signs.....	103,247	70
16	Station and Office Buildings.....	373,690	36
17	Roadway Buildings.....	7,253	83
18	Water Stations.....	47,367	10
19	Fuel Stations.....	16,037	42
20	Shops and Enginehouses.....	548,647	74
21	Grain Elevators.....	1,455	05
22	Storage Warehouses.....	145	42
23	Wharves and Docks.....	2,918	48
24	Coal and Ore Wharves.....	637	11
25	Gas Producing Plants.....	2,225	17
26	Telegraph and Telephone Lines.....	43,485	83
27	Signals and Interlockers.....	558,384	31
29	Power Plant Buildings.....	3,924	40
31	Power Transmission Systems.....	4,343	32
32	Power Distribution Systems.....	34,338	48
33	Power Line Poles and Fixtures.....	7,863	78
34	Underground Conduits.....	2,558	08
35	Miscellaneous Structures.....	7,253	37
36	Paving.....	506	62
37	Roadway Machines.....	62,291	34
38	Roadway Small Tools.....	9,725	29
39	Assessments for Public Improvements.....	4,416	83
41	Cost of Road Purchased.....	40,000	00
44	Shop Machinery.....	152,281	37
45	Power Plant Machinery.....	11,191	18

EQUIPMENT

51	Steam Locomotives.....	\$444,187	23
52	Other Locomotives.....	540	18
53	Freight Train Cars.....	76,720	23
54	Passenger Train Cars.....	229,594	40
55	Motor Equipment of Cars.....	166,320	48
57	Work Equipment.....	219,615	16
58	Miscellaneous Equipment.....	6,431	00
		<hr/>	
			\$1,143,708 68

GENERAL EXPENDITURES

71	Organization Expenses.....	\$507	06
73	Law.....	693	36
<i>Total.....</i>			<hr/>
			\$6,825,328 89
 Credit:			
	Equipment Retired.....	\$2,113,031	07
	Land Sold and Property Retired.....	1,186,832	69
		<hr/>	
Net Charge to Additions and Betterments.....			\$3,525,465 13
 Distributed as Follows:			
	Charged to Capital Accounts.....	\$2,932,206	14
	Charged to Leased Roads.....	593,258	99
		<hr/>	
			\$3,525,465 13

Note.—The above statement does not include credit of \$505.98 made up of miscellaneous adjustments affecting the accounts prior to July 1, 1914.

DECEMBER 31, 1927

Owned Road

NAME OF ROAD AND DESCRIPTION		Amount Outstanding	Dividend Rate
Boston and Maine	Prior Preference.....	\$5,872,600 00	7%
" "	Subscriptions for Prior Preference.....	2,848,348 35	
" "	First Preferred, Class A.....	18,860,000 00	5%
" "	" " " " B.....	7,648,800 00	8%
" "	" " " " C.....	7,917,100 00	7%
" "	" " " " D.....	4,327,000 00	10%
" "	" " " " E.....	65,000 00	4 1/2%
" "	Preferred.....	3,149,800 00	6%
" "	Common.....	39,505,355 91	
Total Capital Stock.....		\$90,194,004 26	

FUNDED DEBT

	Bonds Outstanding	Date of Maturity	Rate
Boston and Maine General Mortgage, Series Q.....	\$426,000 00	Feb. 2, 1940	5%
" " " " " R.....	3,580,000 00	May 1, 1940	5%
" " " " " S.....	500,000 00	Sept. 1, 1940	5%
" " " " " T.....	8,348,000 00	Sept. 1, 1941	5%
" " " " " U.....	500,000 00	Nov. 1, 1941	5%
" " " " " V.....	2,359,000 00	Mar. 1, 1942	5%
" " " " " W.....	1,867,000 00	Apr. 1, 1942	5%
" " " " " X.....	323,000 00	July 1, 1942	5%
" " " " Fitchburg.....	87,000 00	Jan. 1, 1928	4%
" " " " Series Y.....	1,363,000 00	Jan. 1, 1943	4%
" " " " Fitchburg.....	94,000 00	May 1, 1928	44%
" " " " Series Z.....	2,306,000 00	May 1, 1943	44%
" " " " ".....	1,318,000 00	Apr. 1, 1929	44%
" " " " ".....	10,382,000 00	Apr. 1, 1944	44%
" " " " Series AA.....	8,000 00	Apr. 1, 1929	4%
" " " " Boston & Lowell.....	342,000 00	Apr. 1, 1944	4%
" " " " W. N. & R. R.R.....	45,000 00	Jan. 1, 1930	4%
" " " " First General Series CC.....	690,000 00	Jan. 1, 1945	4%
" " " " ".....	574,000 00	June 1, 1930	6%
" " " " Series DD.....	3,268,000 00	June 1, 1945	6%
" " " " ".....	54,000 00	Jan. 1, 1931	7%
" " " " Series EE.....	555,000 00	Jan. 1, 1946	7%
" " " " Fitchburg.....	9,000 00	Jan. 1, 1932	44%
" " " " Series FF.....	1,191,000 00	Jan. 1, 1947	44%
" " " " Boston & Lowell.....	154,000 00	Apr. 1, 1932	4%
" " " " Series GG.....	846,000 00	Apr. 1, 1947	4%
" " " " H.....	*5,443,979 00	Nov. 1, 1930	6%
" " " " J.....	*3,049,000 00	Oct. 1, 1931	6%
" " " " M.....	3,991,000 00	Jan. 1, 1933	6%
" " " " Fitchburg.....	400,000 00	Jan. 1, 1933	41%
" " " " Boston & Lowell.....	1,000,000 00	Feb. 1, 1933	44%
" " " " Series O.....	*5,894,000 00	Jan. 1, 1934	6%
" " " " Fitchburg.....	1,872,000 00	Jan. 1, 1934	5%
" " " " W. N. & R. R. R.....	380,000 00	Oct. 1, 1934	4%
" " " " First General.....	150,000 00	Jan. 1, 1935	4%
" " " " ".....	*5,000,000 00	June 1, 1935	6%
" " " " Series K.....	1,250,000 00	Mar. 1, 1936	5%
" " " " Boston & Lowell.....	1,919,000 00	Feb. 1, 1937	4%
" " " " Sinking Fd. Improvement.....	5,000,000 00	Feb. 1, 1937	4%
" " " " Fitchburg.....	1,000,000 00	June 1, 1937	44%
" " " " P., Gt. F. & C. R.R.....	2,500,000 00	Aug. 1, 1942	4%
" " " " Connecticut River.....	1,000,000 00	Sept. 1, 1943	4%
" " " " ".....	6,000,000 00	Jan. 1, 1944	44%
" " " " ".....	5,454,000 00	July 1, 1950	3%
" " " " Series AC.....	30,942,000 00	Sept. 1, 1967	5%
" " " " Equipment Trust of 1920 Gold Notes.....	3,633,600 00	Jan. 15, 1928-'35	6%
" " " " Equipment Trust of 1922 Gold Certificates.....	1,210,000 00	Aug. 1, 1928-'37	54%
" " " " Equipment Trust No. 3 Gold Certificates.....	1,551,000 00	June 1, 1928-'38	6%
" " " " Real Estate Mortgage (Assumed).....	100,000 00	Sept. 27, 1929	6%
" " " " Real Estate Mortgage (Assumed).....	6,000 00	Oct. 13, 1928	6%
Total Funded Debt.....	\$129,934,579 00		

* Owned by United States Government \$19,386,979.00.

CAPITAL STOCK AND FUNDED DEBT OUTSTANDING DECEMBER 31, 1927

Leased Roads

NAME OF ROAD AND DESCRIPTION		CAPITAL STOCK	
		Amount Outstanding	Dividend Rate
Nashua and Lowell.....		\$800,000 00	9%
Stony Brook.....		300,000 00	7%
Wilton.....		240,000 00	8 1/2%
Peterborough.....		385,000 00	4%
New Boston.....		84,000 00	4%
Concord and Portsmouth.....		350,000 00	7%
Pemigewasset Valley.....		541,500 00	6%
Northern.....		3,068,400 00	8%
Vermont and Massachusetts.....		3,193,000 00	6%
Troy & Bennington.....		150,800 00	10%
Connecticut and Passumpsic Rivers—Preferred.....		2,500,000 00	6%
Massawippi Valley.....		800,000 00	6%
Vermont Valley.....		1,000,000 00	—
Sullivan County.....		500,000 00	—
Franklin & Tilton.....		265,600 00	—
Peterborough and Hillsborough.....		45,000 00	—
Newport & Richford.....		350,000 00	—
Concord & Claremont, N. H.		412,400 00	—
Total Capital Stock.....		\$14,985,700 00	

FUNDED DEBT				
		Bonds Outstanding	Date of Maturity	Rate
Peterborough and Hillsborough.....	First Mortgage	\$100,000 00	July 1, 1931	4 1/2%
Peterborough and Hillsborough.....	Second Mortgage	65,000 00	Apr. 30, 1887	No interest
Newport & Richford.....	First Mortgage	350,000 00	Jan. 1, 1941	5%
Connecticut and Passumpsic Rivers.....	First Mortgage	1,900,000 00	Apr. 1, 1943	4%
Concord & Claremont, N. H.	First Mortgage	500,000 00	Jan. 1, 1944	5%
Vermont Valley.....	First Mortgage	1,500,000 00	Oct. 1, 1940	4 1/2%
Sullivan County.....	First Mortgage	357,000 00	Apr. 1, 1944	6%
Total Funded Debt.....		\$4,772,000 00		

MILES OF ROAD OPERATED, DECEMBER 31, 1927

	Owmed	Leased	Total
STEAM ROADS			
Main Lines.....	1,043.34	230.54	1,273.88
Branch Lines.....	557.71	219.08	776.79
Trackage Rights.....	—	32.87	32.87
<i>Total Road Operated.....</i>	<i>1,601.05</i>	<i>482.49</i>	<i>2,083.54</i>
Second Track.....	492.57	A 128.68	621.25
Third Track.....	1.20	B 5.85	7.05
Side Tracks.....	1,123.30	214.44	1,337.74
<i>Total Track Operated.....</i>	<i>3,218.12</i>	<i>831.46</i>	<i>4,049.58</i>
ELECTRIC RAILWAYS (CONCORD, N. H.)			
Main Lines.....	28.71	—	28.71
Side Tracks.....	1.84	—	1.84
<i>Total.....</i>	<i>30.55</i>	<i>—</i>	<i>30.55</i>

A Includes trackage rights, 21.29 miles.

B Includes trackage rights, .99 mile.

CLASSIFICATION OF FREIGHT TRAFFIC

	Year Ended Dec. 31, 1927 Tons of 2000 lbs.	Per Cent of Total	Increase or Decrease in Tonnage
PRODUCTS OF AGRICULTURE:			
Wheat.....	101,457	.4	14,806
Corn.....	209,047	.9	2,607
Oats.....	154,850	.7	43,116
Other Grain.....	55,480	.2	18,555
Flour and Meal.....	372,340	1.6	9,765
Other Mill Products.....	563,491	2.4	7,487
Hay, Straw and Alfalfa.....	207,663	.9	117,620
Tobacco.....	10,455	.1	5,197
Cotton.....	200,253	.9	3,137
Cotton Seed and Products, except Oil.....	18,213	.1	4,848
Citrus Fruits.....	67,839	.3	2,140
Other Fresh Fruits.....	161,761	.7	13,774
Potatoes.....	963,076	4.1	32,951
Other Fresh Vegetables.....	77,171	.3	31,540
Dried Fruits and Vegetables.....	16,314	.1	2,227
Other Products of Agriculture.....	123,646	.5	10,488
<i>Total.....</i>	<i>3,303,056</i>	<i>14.2</i>	<i>169,627</i>
PRODUCTS OF ANIMALS:			
Horses and Mules.....	4,541	.0	46
Cattle and Calves.....	41,155	.2	1,331
Sheep and Goats.....	1,517	.0	617
Hogs.....	17,908	.1	368
Fresh Meats.....	131,440	.6	5,525
Other Packing House Products.....	49,455	.2	13,883
Poultry.....	18,796	.1	4,650
Eggs.....	33,701	.1	847
Butter and Cheese.....	41,102	.2	546
Wool.....	90,035	.4	3,544
Hides and Leather.....	142,943	.6	9,116
Other Products of Animals.....	79,488	.3	8,916
<i>Total.....</i>	<i>652,081</i>	<i>2.8</i>	<i>4,531</i>
PRODUCTS OF MINES:			
Anthracite Coal.....	2,325,425	10.0	455,457
Bituminous Coal.....	2,751,835	11.8	95,785
Coke.....	219,117	.9	23,607
Iron Ore.....	3,304	.1	4,019
Other Ores and Concentrates.....	9,809	.1	7,554
Clay, Gravel, Sand and Stone.....	891,471	3.8	16,718
Asphaltum.....	33,200	.1	4,465
Salt.....	97,106	.4	296
Other Products of Mines.....	146,308	.6	57,112
<i>Total.....</i>	<i>6,477,575</i>	<i>27.8</i>	<i>338,999</i>
PRODUCTS OF FORESTS:			
Logs, Posts, Poles and Cord Wood.....	139,854	.6	8,468
Ties.....	28,649	.1	2,290
Pulp Wood.....	403,663	1.7	57,476
Lumber, Timber, Box Shooks, Staves and Headings.....	1,595,980	6.9	196,145
Other Products of Forests.....	177,225	.8	1,228
<i>Total.....</i>	<i>2,345,371</i>	<i>10.1</i>	<i>265,607</i>
MANUFACTURES AND MISCELLANEOUS:			
Refined Petroleum and Its Products.....	1,167,325	5.0	66,129
Vegetable Oils.....	15,453	.1	2,078
Sugar, Sirup, Glucose and Molasses.....	214,945	.9	25,580
Boats and Vessel Supplies.....	1,367	.0	128
Irons Pig and Bloom.....	107,388	.5	14,516
Rail, and Fastenings.....	22,672	.1	4,309
Bar and Sheet Iron, Structural Iron and Iron Pipe.....	334,834	1.5	5,697
Other Metals, Pig, Bar and Sheet.....	46,420	.2	2,824
Castings, Machinery and Boilers.....	178,917	.8	16,436
Cement.....	437,104	1.9	8,380
Brick and Artificial Stone.....	403,601	1.7	10,460
Lime and Plaster.....	179,279	.8	1,471
Sewer Pipe and Drain Tile.....	34,620	.1	378
Agricultural Implements and Vehicles other than Automobiles.....	27,532	.1	6,950
Automobiles and Auto Trucks.....	189,672	.8	17,759
Household Goods and Second-hand Furniture.....	2,676	.0	586
Furniture (new).....	37,105	.2	6,325
Beverages.....	18,543	.1	631
Ice.....	548,372	2.4	66,160
Fertilizers (all kinds).....	201,718	.9	75,802
Paper, Printed Matter and Books.....	1,011,666	4.3	30,293
Chemicals and Explosives.....	308,913	1.3	23,327
Textiles.....	99,307	.4	24,844
Canned Goods (all Canned Food Products).....	138,034	.6	20,388
Other Manufactures and Miscellaneous.....	3,078,835	13.2	220,521
<i>Total.....</i>	<i>8,806,298</i>	<i>37.9</i>	<i>43,220</i>
<i>Grand Total, Carload Traffic.....</i>	<i>21,584,381</i>	<i>92.8</i>	<i>821,793</i>
<i>Merchandise—All L. C. L. Freight.....</i>	<i>1,677,461</i>	<i>7.2</i>	<i>29,724</i>
<i>Grand Total, Carload and L. C. L. Traffic.....</i>	<i>23,261,842</i>	<i>100.0</i>	<i>851,517</i>

Italics indicate decrease.

TRAFFIC AND OPERATING STATISTICS

	Year Ended Dec. 31, 1927	Increase or Decrease
FREIGHT		
Tons of revenue freight carried	23,261,842	851,517
Tons of company freight carried	2,359,479	165,542
Total tons of freight carried	25,621,321	656,976
Tons of revenue freight carried one mile	2,856,589,535	180,602,074
Tons of company freight carried one mile	150,141,611	18,629,475
Total tons of freight carried one mile	3,006,731,146	161,972,599
AVERAGES		
Average miles hauled—revenue freight	122.80	5.16
Average miles hauled—non-revenue freight	63.63	3.69
Average miles hauled—all freight	117.85	5.10
Tons of revenue freight per revenue train mile (including mixed service)	498.69	22.52
Tons of all freight per revenue train mile (including mixed service)	524.90	18.88
*Tons of revenue freight per loaded car mile (including mixed service)	19.24	.37
*Tons of all freight per loaded car mile (including mixed service)	20.25	.21
Freight cars per revenue train mile (including mixed service)	38.27	.81
*Loaded cars per revenue train mile (including mixed service)	25.97	.62
*Empty cars per revenue train mile (including mixed service)	11.33	.54
Revenue per ton of freight	\$2.15183	\$.00309
Revenue per ton per mile	1.752	.046
Revenue per revenue train mile (including mixed service)	\$8.738	\$.165
*Freight revenue per loaded car mile (including mixed service)	33.716	.254
PASSENGER		
Passenger Revenue:		
Monthly Commutation Ticket Passengers	\$1,405,426 57	\$58,637 82
All other Commutation Ticket Passengers	2,437,908 05	121,609 17
Single Fare Ticket Passengers (not including interline)	9,229,474 87	1,197,852 89
Interline Ticket Passengers	4,862,614 25	226,453 37
Number of Passengers Carried:		
Monthly commutation ticket passengers	6,923,644	402,419
All other commutation ticket passengers	14,594,904	1,066,263
Single fare ticket passengers (not including interline)	9,387,773	1,612,949
Interline ticket passengers	1,654,893	109,298
Total number of passengers carried	32,561,214	3,190,929
Number of Passengers Carried one mile:		
Monthly commutation ticket passengers	143,843,919	4,739,765
All other commutation ticket passengers	130,294,130	6,061,203
Single fare ticket passengers (not including interline)	270,764,583	30,715,180
Interline ticket passengers	142,903,317	8,445,249
Total number of passengers carried one mile	687,805,949	49,961,347
Number of passengers to and from Boston, including monthly ticket passengers	24,363,321	1,336,611
AVERAGES		
Average distance carried per passenger (miles)	21.12	.48
Number of passengers per train mile (including mixed service)	75.52	3.10
Number of passengers per car mile (including mixed service)	21.05	.53
Number of cars per train mile (including mail, baggage and express cars) (including mixed service)	5.79	.32
Revenue per passenger	56.05	.48
Revenue per passenger mile, monthly commutation ticket passengers977	.008
Revenue per passenger mile, other commutation ticket passengers	1.871	.006
Revenue per passenger mile, single-fare not including interline	3.408	.051
Revenue per passenger mile, interline passengers	3.403	.041
Revenue per passenger mile, all passengers	2.653	.040
Passenger revenue per passenger car mile (including mixed service)	55.861	3.069
Total passenger service train revenue per train mile (including mixed service)	\$2.713	\$.117
AVERAGES PER MILE OF ROAD		
Operating revenues	\$37,273 94	\$120 75
Operating expenses	29,608 48	1,222 48
Net operating revenue	\$7,665 46	\$1,101 73
Freight revenue	\$24,023 64	\$382 62
Passenger service train revenue	11,860 18	256 09
Ton miles revenue freight	1,370,994	22,124
Ton miles all freight	1,443,053	10,387
Passenger miles—revenue	330,106	8,298
Freight train miles	2,734	82
Passenger train miles	4,367	70
Mixed train miles	19	9
Special train miles	20	
Train miles—total revenue	7,140	143
Work train miles	352	120
Locomotive miles—excluding work service	9,888	167
Freight service car miles (including mixed and special service)	105,250	2,467
Passenger service car miles (including mixed and special service)	25,383	1,773

* Does not include Caboose Car Mileage.

** Includes Sleeping and Parlor Car surcharge.

† Includes "Exclusive work equipment."
Italics indicate decrease.

TRAFFIC AND OPERATING STATISTICS—Concluded

	Year Ended Dec. 31, 1927	Increase or Decrease
AVERAGES PER REVENUE TRAIN MILE		
Operating revenues.....	\$5.22	\$0.12
Operating expenses.....	4.15	0.07
Net operating revenue.....	\$1.07	\$0.19
Loaded freight car miles—freight trains.....	26.07	.68
Loaded freight car miles—mixed trains.....	2.57	.43
Empty freight car miles—freight trains.....	11.33	.47
Empty freight car miles—mixed trains.....	1.26	.09
Passenger train car miles—passenger trains.....	5.79	.32
Passenger train car miles—mixed trains.....	1.14	.37
AVERAGES PER REVENUE LOCOMOTIVE MILE		
Train miles—freight trains.....	.79	—
Car miles—freight trains.....	30.56	.04
Train miles—passenger trains.....	.94	—
Car miles—passenger trains.....	5.77	.45
Train miles—mixed trains.....	.95	—
Car miles—mixed trains.....	.490	.82
Train miles—special trains.....	.91	.01
Car miles—special trains.....	4.96	.36
* LOCOMOTIVE MILEAGE		
Freight service.....	7,168,826	142,841
Passenger service.....	8,906,974	558,959
Mixed service.....	41,448	21,866
Special service.....	43,356	3,082
Train switching.....	609,219	40,271
Yard switching.....	3,832,908	550,301
Work service.....	843,668	214,169
Total locomotive miles.....	21,446,399	1,083,181
TRAIN MILEAGE		
Freight service.....	5,697,601	84,430
Passenger service.....	9,098,577	269,562
Mixed service**.....	39,306	21,092
Special service.....	41,924	2,172
Work service.....	734,283	229,172
Total train miles.....	15,611,691	148,084
CAR MILEAGE		
Freight-Train Car Miles:		
Loaded.....		
Empty.....	148,362,308	6,297,951
Exclusive work equipment.....	64,573,473	1,781,299
Caboose.....	304,592	99,164
	5,844,231	229,460
Total freight-train car miles.....	219,084,604	4,646,938
Passenger-Train Car Miles:		
Passenger.....		
Sleeping and parlor.....	26,003,739	817,070
Dining.....	6,625,467	166,172
Other.....	365,435	41,219
	19,684,848	2,522,015
Total passenger-train car miles.....	52,679,489	1,467,554
Mixed-Train Car Miles:		
Freight—Loaded.....	100,862	80,212
Freight—Empty.....	49,517	31,342
Exclusive work equipment.....	921	132
Caboose.....	7,258	789
Passenger carrying.....	41,159	37,722
Other passenger.....	3,498	8,816
Total mixed-train car miles.....	203,215	159,249
Special-Train Car Miles:		
Freight service.....	55,300	23,610
Passenger service.....	163,125	7,463
Total special-train car miles.....	218,425	31,073
Total transportation service.....	272,185,733	3,369,706

* Includes 225,433 electric locomotive miles.

** Proportioned to Freight and Passenger Service, in computing Train Mile Statistics, on basis of freight and passenger car miles in mixed trains.

Italics indicate decrease.